

A. the employee has been employed by the public corporation for at least 12 consecutive months and consents in writing to the insurance contract; and

B. the amount of insurance coverage on the nonkey employee does not exceed an amount commensurate with employer-provided benefits.

(5) (i) This paragraph applies only to a contract or option for the purchase or sale of:

1. an interest in a business partnership or firm; or
2. stock shares, or an interest in stock shares, of a close corporation.

(ii) An individual party to a contract or option described in subparagraph (i) of this paragraph has an insurable interest in the life of each individual party to the contract or option.

(iii) The insurable interest specified in subparagraph (ii) of this paragraph:

1. is only for the purposes of the contract or option; and
2. is in addition to any other insurable interest that may exist on the life of an individual party to the contract or option.

(6) THE TRUSTEE OF A TRUST HAS AN INSURABLE INTEREST IN THE LIFE OF AN INDIVIDUAL INSURED UNDER A LIFE INSURANCE POLICY OWNED BY THE TRUST OR THE TRUSTEE OF A TRUST IF, ON THE DATE ON WHICH THE POLICY IS ISSUED:

(I) THE INSURED IS:

1. THE GRANTOR OF THE TRUST;
2. AN INDIVIDUAL RELATED CLOSELY BY BLOOD OR LAW TO THE GRANTOR; OR
3. AN INDIVIDUAL IN WHOM THE GRANTOR OTHERWISE HAS AN INSURABLE INTEREST; AND

(II) THE LIFE INSURANCE PROCEEDS ARE PRIMARILY FOR THE BENEFIT OF TRUST BENEFICIARIES HAVING AN INSURABLE INTEREST IN THE LIFE OF THE INSURED.

(7) A PARTNERSHIP, LIMITED PARTNERSHIP, OR LIMITED LIABILITY COMPANY HAS AN INSURABLE INTEREST IN THE LIFE OF AN INDIVIDUAL INSURED UNDER A LIFE INSURANCE POLICY OWNED BY THE PARTNERSHIP, LIMITED PARTNERSHIP, OR LIMITED LIABILITY COMPANY IF, ON THE DATE ON WHICH THE POLICY IS ISSUED:

(A) , SUBSTANTIALLY ALL OF THE OWNERS OF THE PARTNERSHIP, LIMITED PARTNERSHIP, OR LIMITED LIABILITY COMPANY ARE: